

HFU Business School, International Business

Lecture: Academic Research and Writing by Prof. Dr. Paul Taylor

Winter semester 2016/2017

# Islamic banking as an alternative to conventional banking

## **Term Paper**

Of

Deborah Usai

# Author

**Deborah Usai**

Neue Steige 1

78727 Oberndorf am Neckar

deborah.usai@hs-furtwangen.de

Matriculation number: 250332

# Table of Content

<b>1. Introduction .....</b>	<b>- 3 -</b>
<b>2. Theory.....</b>	<b>- 3 -</b>
2.1 Explanation of the main concepts and terms .....	- 3 -
2.2 State of Research .....	- 4 -
<b>3. Origin of Islamic banking .....</b>	<b>- 4 -</b>
3.1 History of Islamic banking .....	- 4 -
3.2 Sources of law and Sharia .....	- 5 -
<b>4. Islamic banking and its principles.....</b>	<b>- 6 -</b>
4.1 Riba.....	- 6 -
4.2 Haram and Halal .....	- 7 -
4.3 Gharar .....	- 7 -
4.4 Maysir and Qimar .....	- 8 -
4.5 Shariabboards .....	- 8 -
<b>5. Islamic banking in Germany .....</b>	<b>- 9 -</b>
<b>6. Conclusion .....</b>	<b>- 10 -</b>
<b>7. Bibliography.....</b>	<b>- 12 -</b>

# 1. Introduction

Nowadays Islamic banking is relatively unknown in the Western world, but Islam has around 1,57 billion<sup>1</sup> believers worldwide and is the second largest religion in the world. The number of Muslims is constantly increasing over the years. Not only for Muslims, but also for all other people this system provides a new and different way of banking.

The origin of this system lays in the ban on interest for Muslims. The idea of Islamic banking is to provide an interest free banking system, which includes common values and norms and religious aspects. The awareness of ethical banking is increasing as well as the number of ethical funds and banks, what confirms the willingness of people to use ethical ways of banking, like the Islamic one.

Islamic banking is a financial system conforming to Islamic standards. How is it possible to survive as a bank without charging any interest? Who benefits from this system, consumers or banks? Is there a chance to make the world better with such a banking system? To understand this way of banking, it is necessary to get a deeper insight into the topic.

## 2. Theory

### 2.1 Explanation of the main concepts and terms

Islamic finance is a well-known system and Islamic banking is part of it. This way of banking is an alternative to all conventional banking systems. It is based on Western banking systems with a few distinctions. The main differentiation is that all financial products and other services work without interest. Hence, Islamic banking is interest free banking. It covers the deposit and credit business, but also Investment banking and insurance.

The system is based on the principles given by Islamic law. For example: Muslims are not allowed to receive or pay interest on money, which is borrowed or lent. Not only

---

<sup>1</sup> cf. Demos, Berlin Institut für Bevölkerung und Entwicklung (ed.), 93rd ed: Glaube, Macht und Kinder. Available at: [http://www.berlin-institut.org/newsletter/Newsletter\\_93\\_25\\_Maerz\\_2010.html.pdf](http://www.berlin-institut.org/newsletter/Newsletter_93_25_Maerz_2010.html.pdf), accessed May 16, 2016.

religious and ethical values and norms but also social responsibility are main aspects of Islamic banking.

“Ethical Banking” is another name for Islamic banking, because of the commonly accepted moral values all over the world. The system is not only designed for Muslims, but also for other people. In Islamic banking, it is not allowed to charge interests, nevertheless, the bank has to make money to survive and to cover its expenses.

## **2.2 State of Research**

In the past, especially during the financial crisis, Islamic banking arose in different announcements as a new and better way of banking, but conventional banking still dominates the market in the Western World. The Kuveyt Türk Beteiligungsbank entered the German market in 2004 and opened in 2015 its first chain store based on Islamic banking principles.<sup>2</sup> They are extending their area by opening more chain stores. However, their market share in Germany is still slight and they cannot compete with conventional banks. How is this possible, if Islamic banking seems to be a better way of banking?

# **3. Origin of Islamic banking**

## **3.1 History of Islamic banking**

The starting point of Islamic banking was in the forties. In that time the first theoretical and basic approaches of the system were developed. Later on, in 1963, Sparkasse executed a project in Mit-Ghamar, Egypt.<sup>3</sup> It was a project testing an interest-free financial system, which was developed and is nowadays known as Islamic banking. The experiment ended in 1967 because of political resistance. Islam determined this way of banking as good and practical.

---

<sup>2</sup> cf. Kuveyt Türk Beteiligungsbank (ed.): Über Uns. Available at: <https://www.kt-bank.de/ueber-uns/kt-bank/>, accessed May 16, 2016.

<sup>3</sup> cf. Milena Valeva, Theoretische Grundlegung ethischer Bankbetriebslehre: Die Lehren aus dem Islamic Banking, 1st ed., Gabler Verlag, 2012, Page 177 et seqq. Available at: <http://link.springer.com/book/10.1007%2F978-3-8349-3476-5>, accessed May 16, 2016.

In 1971 the interest-free “Nasser Social Bank” was established by the Egyptian government and in 1973 the “Islamic Development Bank” was founded with 20 member countries. The objective is to support the social progress and economic development of member countries and Muslim communities conforming to Sharia. The present membership of the bank consists of 56 countries.<sup>4</sup> After this foundation, many Islamic banks opened firstly in different Islamic countries. In the nineties they diffused their operations to Europe and Central Asia. Today there are three states with a totally interest-free financial system: Pakistan, Sudan and Iran.

### **3.2 Sources of law and Sharia**

Like all financial systems, Islamic banking is subject to sources of law. The primary sources of law are Koran, Sunna and Consensus of Legal Scholars, whereas the secondary sources of law are Conclusion by Analogy, Customary Law and own Approval Certificate, better known as “Fatwa”.<sup>5</sup> The focus will lay on Sharia, which is the most influencing one.

The origin of the term Sharia lays in the Arabic language and means Islamic moral and religious laws.<sup>6</sup> Sharia, also known as Islamic law is an accepted law based on the teachings of the Koran and the traditions of the Prophets Hadith and Sunna. It regulates legal and religious commitment as well as compensatory penalties for lawbreaking.<sup>7</sup> It covers all religious and legal norms and also evaluation standards for the interpretation of Islamic norms. This law should help the faithful to live their life in an appropriate way.

---

<sup>4</sup> cf. Islamic Development Bank (ed.): IDB Member Countries. Available at: <http://www.isdb.org/irj/portal/anonymous?NavigationTarget=navurl://9c2f799fdb547aa0e2027b7c9>, accessed May 16, 2016.

<sup>5</sup> cf. Daniel Ecke, Islamic Banking: Grundlagen und Potenzial in Deutschland, Hamburg: Diplomica Verlag, 2012, Page 20 et seq. Available at: [https://www.wiso-net.de/document/DIPL\\_ADIP\\_9783842820081100](https://www.wiso-net.de/document/DIPL_ADIP_9783842820081100), accessed May 16, 2016.

<sup>6</sup> cf. Oxford Dictionaries (ed.): Sharia. Available at: <http://www.oxforddictionaries.com/de/definition/englisch/sharia>, accessed May 16, 2016.

<sup>7</sup> *ibid.*

## 4. Islamic banking and its principles

### 4.1 Riba

The prohibition of Riba is the ban of monetary interest in all forms. This is a basic rule in Islam, which comes from Koran and Sunna. It is the most noticeable difference between conventional banking and Islamic banking.

Islam distinguishes between Riba-al-Nasiah and Riba-al-Fadl. Riba-al-Nasiah refers to the interest of loan transactions. In conventional banking systems interests generate profits without real value or operation behind it, what is prohibited in Islam. However, loan transactions, which are based on amortisation, are allowed. Riba-al-Fadl corresponds to profits, which are obtained by trade agreements. In Islam people are only allowed to exchange services and goods of the same quantity and value. That way, the unjustified enrichment of someone at the expense of another cannot take place. Consequently, speculations are not possible.<sup>8</sup>

The purpose of this prohibition is to achieve distributive justice. Thus, the wealth of people should not be considered in the banking system. The interest-free Islamic banking system requires the partnership or profit-sharing basis/ loss-sharing basis.<sup>9</sup> Therefore, the assets and liabilities of Islamic banks are integrated in the sense that the customers share profits and losses with the banks in a pre-decided ratio.<sup>10</sup> Theoretically, this means that Islamic banks are in a better position than conventional banks when external shocks occur. This leads also to a strictly selection and a continuously control of their customers as they are dependent on them. Anyway, conventional banking and Islamic banking are not as different as people think.<sup>11</sup> This is the reason why they should be treated equally. Therefore, it would make sense to regulate both by the same institution.

---

<sup>8</sup> cf. Milena Valeva, Theoretische Grundlegung ethischer Bankbetriebslehre: Die Lehren aus dem Islamic Banking, 1st ed., Gabler Verlag, 2012, Page 29 et seq. Available at: <http://link.springer.com/book/10.1007%2F978-3-8349-3476-5>, accessed May 16, 2016.

<sup>9</sup> cf. Bashier, Portfolio Management of Islamic Banks "Certainty Model". IN: Journal of Banking and Finance 7, 1983, Pages 339 - 354. Available at: [http://ac.els-cdn.com/0378426683900432/1-s2.0-0378426683900432-main.pdf?\\_tid=e729ce86-e107-11e6-9b25-00000aabb0f6b&acdnat=1485133654\\_06bd5f1875de259ac61d420a7f6cd381](http://ac.els-cdn.com/0378426683900432/1-s2.0-0378426683900432-main.pdf?_tid=e729ce86-e107-11e6-9b25-00000aabb0f6b&acdnat=1485133654_06bd5f1875de259ac61d420a7f6cd381), accessed November 22, 2016

<sup>10</sup> cf. Khan, Feisal, How 'Islamic' is Islamic Banking? IN: Journal of Economic Behavior & Organization 76 (3), 2010, Pages 805 - 820. Available at: [http://ac.els-cdn.com/S0167268110001940/1-s2.0-S0167268110001940-main.pdf?\\_tid=9ab173a0-e108-11e6-92ed-00000aabb35e&acdnat=1485133955\\_2ce419326b12432eaf7ae36e81f8b60d](http://ac.els-cdn.com/S0167268110001940/1-s2.0-S0167268110001940-main.pdf?_tid=9ab173a0-e108-11e6-92ed-00000aabb35e&acdnat=1485133955_2ce419326b12432eaf7ae36e81f8b60d), accessed November 22, 2016.

<sup>11</sup> cf. Chong, Beng Soon; Liu, Ming-Hua, Islamic banking. Interest-free or interest-based? IN: Pacific-Basin Finance Journal 17 (1), 2009, Pages 125 - 144. Available at: [http://ac.els-cdn.com/S0927538X08000036/1-s2.0-S0927538X08000036-main.pdf?\\_tid=fb9eea78-e318-11e6-968c-00000aabb0f01&acdnat=1485360892\\_79ad769a59e8cb6431237d93b6af8347](http://ac.els-cdn.com/S0927538X08000036/1-s2.0-S0927538X08000036-main.pdf?_tid=fb9eea78-e318-11e6-968c-00000aabb0f01&acdnat=1485360892_79ad769a59e8cb6431237d93b6af8347), accessed January 04, 2017.

## 4.2 Haram and Halal

Haram and Halal are also two principles of Islamic banking. These terms are often connected with Islamic food rules.

All products, services and economic operations which are considered unethical, prohibited and impure by Sharia are called Haram. The term Haram includes pork, alcohol, weaponry, prostitution, tobacco, pornography, monetary interest and enterprises, where economic data indicates debt overload.<sup>12</sup>

In conclusion, all other products are considered as Halal and are permitted by Sharia.

The differentiation has to be applied to the complete value-added chain, what means from the first point of construction to the last point of sale. If every point of the value-added chain is permitted by Sharia, the product, service or economic operation is observed Halal. Despite of that principle, many Islamic banks do not operate in a totally Halal way. This fact could be a reason for the low market share.<sup>13</sup>

## 4.3 Gharar

Gharar means risk, venture, uncertainty and deception and is generally not forbidden, but it is said to avoid exceptionally high Gharar. It affects especially the Islamic law of contract. Every economic transaction with economic disequilibrium is strictly forbidden and void by law. The subjective interpretation of what is high and low Gharar can lead to disagreements and further negative impacts between Muslims.<sup>14</sup>

The risk only refers to the subject-matter of a contract and not to the purchase price.

Normally, the trade with a still not existing or not existing subject-matter of a contract is forbidden by Sharia because of extremely high Gharar. Even though, there exist contractual designs, which make this trade possible.

To avoid high risk in an economic operation, every sales contract has to contain clearly and definitely expressed the characteristics and availability of the subject-matter of the contract to both contracting parties, the purchase price and the rights and duties of both contracting parties.

---

<sup>12</sup> cf. Daniel Ecke, *Islamic Banking: Grundlagen und Potenzial in Deutschland*, Hamburg: Diplomica Verlag, 2012, Page 20 et seq. Available at: [https://www.wiso-net.de/document/DIPL\\_ADIP\\_9783842820081100](https://www.wiso-net.de/document/DIPL_ADIP_9783842820081100), accessed May 16, 2016.

<sup>13</sup> *ibid.*

<sup>14</sup> *ibid.*



The prohibition of Gharar is especially important regarding financial derivatives. This principle makes bear sales impossible, resulting in a minor product choice for conventional risk-loving customers.

#### **4.4 Maysir and Qimar**

Maysir and Qimar means game of luck, in which you can easily win something by accident. It is the situation in a game of luck, when the acquisition of property is constrained to the entrance of a certain event.<sup>15</sup> Islamic jurists think that Qimar is a kind of Maysir. Both forms are treated like a type of Gharar, appear in financial derivatives and are forbidden.

Muslims are at issue if capital investments in the stock market fall under the principle of Maysir and Qimar, but most Islamic jurists determine this type of capital investment as permitted as long as the activities of the enterprises can be determined as Halal.

The venture with stocks is treated as game of luck, if the stocks are bought as short-term capital investment. The purchaser decides about the duration of his investment, what makes it difficult to determine whether it is considered as game of luck or not. Furthermore, it is not possible to tell if people are committed to this principle or not.

#### **4.5 Shariaboard**

Before working as Islamic financial institution, every bank is engaged to a procedure. The respective Shariaboard has to examine all products and internal proceedings and certify them as Islam conformable. If this is not the case, the bank is not allowed to start the business operations. It is responsible for the continuous control of the operating activities and the examination of new financial products. The Management of the Islamic bank informs and consults the Shariaboard. The Sharia audit consists of internal employees with specific expertise. They have to control continuously the operating activities and inform the Shariaboard about the results. The Islamic Financial Services Board (IFSB), which is the same as the Basel Committee on Banking Supervision for

---

<sup>15</sup> cf. Daniel Ecke, *Islamic Banking: Grundlagen und Potenzial in Deutschland*, Hamburg: Diplomica Verlag, 2012, Page 34 et seq. Available at: [https://www.wiso-net.de/document/DIPL\\_ADIP\\_\\_9783842820081100](https://www.wiso-net.de/document/DIPL_ADIP__9783842820081100), accessed May 16, 2016.

conventional banks, recommends an extra external Sharia audit, which takes place once a year.<sup>16</sup>

The decisions made by the Shariaboard are binding for the Islamic bank and can vary depending on the members of the board. This makes it difficult to compare different Islamic banks. The decisions have to be consistent with Islamic law and national laws of the specific country. The size, composition and establishment of a Shariaboard depends on the articles of association or comparable documents of the financial institution as well as on the statutory provisions of the country. Members of the Shariaboard are called Sharia-Scholars and are Islamic jurists.

## 5. Islamic banking in Germany

The income structure of Muslims living in Germany is important when making an analysis of the market potential of Islamic banking in Germany. The research study “Muslimisches Leben in Deutschland” of BAMF and Deutsche Islam Konferenz delivers important data for this topic. According to the study 72 percent of Muslims in Germany are working, what implies a huge market potential. Nevertheless, only a few of them use Islamic banking.<sup>17</sup>

The study of Wissenschaftsförderung der Sparkassen-Finanzgruppe e.V. in collaboration with Lehrstuhl für Finanzwirtschaft und Bankbetriebslehre der TU Chemnitz is also important for the analysis. In conformity with the study nearly 50 percent of Muslims have a gross income of 1,300 Euro up to 2,600 Euro. This means that a huge group of Muslims in Germany is able to invest in Islamic financial products. Nearly 1/3 of them do not save money at all and only a few Muslims in Germany use Islamic banking. The reasons for that could be a lack of nationwide offer regarding Islamic financial products, the Muslim ignorance of these products or the containment of the product choice. More than 50 percent of Muslims in Germany financed their

---

<sup>16</sup> cf. Chong, Beng Soon; Liu, Ming-Hua, Islamic banking. Interest-free or interest-based? IN: Pacific-Basin Finance Journal 17 (1), 2009, Pages 125 - 144. Available at: [http://ac.els-cdn.com/S0927538X08000036/1-s2.0-S0927538X08000036-main.pdf?\\_tid=fb9eea78-e318-11e6-968c-00000aabb0f01&acdnat=1485360892\\_79ad769a59e8cb6431237d93b6af8347](http://ac.els-cdn.com/S0927538X08000036/1-s2.0-S0927538X08000036-main.pdf?_tid=fb9eea78-e318-11e6-968c-00000aabb0f01&acdnat=1485360892_79ad769a59e8cb6431237d93b6af8347), accessed January 04, 2017.

<sup>17</sup> cf. Sonja Haug, Stephanie Müssig, Anja Sticks, Muslimisches Leben in Deutschland, Bundesamt für Migration und Flüchtlinge (ed.), 2009, Page 222. Available at: [https://www.bmi.bund.de/cae/servlet/contentblob/566008/publicationFile/31710/vollversion\\_studie\\_muslim\\_leben\\_deutschland\\_pdf](https://www.bmi.bund.de/cae/servlet/contentblob/566008/publicationFile/31710/vollversion_studie_muslim_leben_deutschland_pdf), accessed January 04, 2017.

proposition with money of the family, friends and acquaintance because of their culture. Most of the others financed their real estate through a German financial institution. Relating to Islamic banking, only 14 percent answered knowing an Islamic financial institution. In total, 84 percent of Muslims living in Germany have interest in Islamic financial products and would use them, if they would be offered in a German financial institution. This is contradictory to the actual number of Muslims using these commodities and their interest is often not sufficient for buying Islamic financial products.<sup>18</sup>

Nowadays, most investments in Islamic financial products are done by institutional investors. The Deutsche Bank, Bankamiz, a subsidiary of Deutsche Bank, and other financial institutions do not see market potential in Islamic retail banking in Germany.

## 6. Conclusion

In conclusion, Islamic banking is an alternative to conventional banking. The main distinctions are a stronger reference to the real economy, the influence of Islamic law and the missing interest. Nevertheless, the system is mostly not risk-sharing. Rather, Islamic banks often use actual market interest rates as pricing benchmarks. Islamic products, which are mostly similar to conventional products, are offered to the clients at higher costs. People think the products are Sharia conform and pay more for the same commodity. Therefore, banks benefit from Islamic financial products and are the winners. This is questionable, as Sharia wants to avoid the exploitation of people.<sup>19</sup> With that system, Islamic banks are able to survive without charging any interests, but only in case consumers are religious or aware of ethical issues and willing to pay for it. At the moment, this is not the case in Germany. In contrast to that, Pakistan, Sudan and Iran have proven that an interest-free financial system can work. However, there is no conventional bank and therefore no alternative.

Although most financial institutions think there is no market potential in retail banking in Germany, from my point of view there is one. Islamic banking is still developing in Germany and should not be underestimated. The topic should be more merchandised

---

<sup>18</sup> cf. Daniel Ecke, *Islamic Banking: Grundlagen und Potenzial in Deutschland*, Hamburg: Diplomica Verlag, 2012, Page 70 et seqq. Available at: [https://www.wiso-net.de/document/DIPL\\_ADIP\\_9783842820081100](https://www.wiso-net.de/document/DIPL_ADIP_9783842820081100), accessed May 16, 2016.

<sup>19</sup> cf. Khan, Feisal, How 'Islamic' is Islamic Banking? IN: *Journal of Economic Behavior & Organization* 76 (3), 2010, Pages 805 - 820. Available at: [http://ac.els-cdn.com/S0167268110001940/1-s2.0-S0167268110001940-main.pdf?\\_tid=9ab173a0-e108-11e6-92ed-00000aach35e&acdnat=1485133955\\_2ce419326b12432eaf7ae36e81f8b60d](http://ac.els-cdn.com/S0167268110001940/1-s2.0-S0167268110001940-main.pdf?_tid=9ab173a0-e108-11e6-92ed-00000aach35e&acdnat=1485133955_2ce419326b12432eaf7ae36e81f8b60d), accessed November 22, 2016.

and the financial institutions should not only focus on institutional investors, but also on retail banking.

As a lot of people do not know about Islamic banking they cannot make a decision of whether using it or not. Besides, there are not enough offers and bankers do not promote it sufficiently. Especially nowadays, in times of refugee crisis Islamic banking provides more market potential than under normal circumstances.

A problem of Islamic banking and finance is that conventional bankers are not familiar with Islamic law and Islamic banking. The promotion of such products without having the knowledge about it is difficult. A training course with the basics of Islamic banking would help to make the main topics comprehensible. This requires the banks to invest in their employees' education, what may be not their interest as people do not demand enough Islamic financial products. Furthermore, many people do not consider Islam as part of the German culture and do also not want Islam to be part of the German culture, what makes the development of Islamic banking in Germany even more difficult.

Altogether, Islamic banking is ethical banking and has many advantages if it is used right. It could also make economy more stable and prevent a new financial crisis. Nevertheless, Islamic banking efficiency is lower than efficiency of conventional banking and some principles are questionable.<sup>20</sup>

---

<sup>20</sup> cf. Johnes, Jill; Izzeldin, Marwan; Pappas, Vasileios, A comparison of performance of Islamic and conventional banks 2004–2009. IN: Journal of Economic Behavior & Organization 103, 2014, Pages 93 - 107. Available at: [http://ac.els-cdn.com/S0167268113001820/1-s2.0-S0167268113001820-main.pdf?\\_tid=0a89568e-e109-11e6-bfa7-00000aab0f26&acdnat=1485134143\\_ae02b9ad975d8bdc76f7535ada7daa42](http://ac.els-cdn.com/S0167268113001820/1-s2.0-S0167268113001820-main.pdf?_tid=0a89568e-e109-11e6-bfa7-00000aab0f26&acdnat=1485134143_ae02b9ad975d8bdc76f7535ada7daa42), accessed November 22, 2016.

## 7. Bibliography

Bashier: *Portfolio Management of Islamic Banks "Certainty Model"*. IN: Journal of Banking and Finance 7, 1983. Available at: [http://ac.els-cdn.com/0378426683900432/1-s2.0-0378426683900432-main.pdf?\\_tid=e729ce86-e107-11e6-9b25-00000aab0f6b&acdnt=1485133654\\_06bd5f1875de259ac61d420a7f6cd381](http://ac.els-cdn.com/0378426683900432/1-s2.0-0378426683900432-main.pdf?_tid=e729ce86-e107-11e6-9b25-00000aab0f6b&acdnt=1485133654_06bd5f1875de259ac61d420a7f6cd381), accessed November 22, 2016.

Chong, Beng Soon; Liu, Ming-Hua: *Islamic banking. Interest-free or interest-based?*. IN: Pacific-Basin Finance Journal 17 (1), 2009. Available at: [http://ac.els-cdn.com/S0927538X08000036/1-s2.0-S0927538X08000036-main.pdf?\\_tid=fb9eea78-e318-11e6-968c-00000aab0f01&acdnt=1485360892\\_79ad769a59e8cb6431237d93b6af8347](http://ac.els-cdn.com/S0927538X08000036/1-s2.0-S0927538X08000036-main.pdf?_tid=fb9eea78-e318-11e6-968c-00000aab0f01&acdnt=1485360892_79ad769a59e8cb6431237d93b6af8347), accessed January 04, 2017.

Demos, Berlin Institut für Bevölkerung und Entwicklung (ed.): *Glaube, Macht und Kinder*. 93ed. Available at: [http://www.berlin-institut.org/newsletter/Newsletter\\_93\\_25\\_Maerz\\_2010.html.pdf](http://www.berlin-institut.org/newsletter/Newsletter_93_25_Maerz_2010.html.pdf), accessed May 16, 2016.

Ecke Daniel: *Islamic Banking: Grundlagen und Potenzial in Deutschland*. Hamburg: Diplomica Verlag, 2012. Available at: [https://www.wiso-net.de/document/DIPL,ADIP\\_\\_9783842820081100](https://www.wiso-net.de/document/DIPL,ADIP__9783842820081100), accessed May 16, 2016.

Haug Sonja, Müssig Stephanie, Sticks Anja: *Muslimisches Leben in Deutschland*. Bundesamt für Migration und Flüchtlinge (ed.), 2009. Available at: [https://www.bmi.bund.de/cae/servlet/contentblob/566008/publicationFile/31710/vollversion\\_studie\\_muslim\\_leben\\_deutschland\\_.pdf](https://www.bmi.bund.de/cae/servlet/contentblob/566008/publicationFile/31710/vollversion_studie_muslim_leben_deutschland_.pdf), accessed January 04, 2017.

Islamic Development Bank (ed.): *IDB Member Countries*. Available at: <http://www.isdb.org/irj/portal/anonymous?NavigationTarget=navurl://9c2f799fdb05fd8b547aa0e2027b7c9>, accessed May 16, 2016.

Johnes, Jill; Izzeldin, Marwan; Pappas, Vasileios: *A comparison of performance of Islamic and conventional banks 2004–2009*. IN: *Journal of Economic Behavior & Organization* 103, 2014. Available at: [http://ac.els-cdn.com/S0167268113001820/1-s2.0-S0167268113001820-main.pdf?\\_tid=0a89568e-e109-11e6-bfa7-00000aab0f26&acdnat=1485134143\\_ae02b9ad975d8bdc76f7535ada7daa42](http://ac.els-cdn.com/S0167268113001820/1-s2.0-S0167268113001820-main.pdf?_tid=0a89568e-e109-11e6-bfa7-00000aab0f26&acdnat=1485134143_ae02b9ad975d8bdc76f7535ada7daa42), accessed November 22, 2016.

Khan, Feisal: *How 'Islamic' is Islamic Banking?*. IN: *Journal of Economic Behavior & Organization* 76 (3), 2010. Available at: [http://ac.els-cdn.com/S0167268110001940/1-s2.0-S0167268110001940-main.pdf?\\_tid=9ab173a0-e108-11e6-92ed-00000aacb35e&acdnat=1485133955\\_2ce419326b12432eaf7ae36e81f8b60d](http://ac.els-cdn.com/S0167268110001940/1-s2.0-S0167268110001940-main.pdf?_tid=9ab173a0-e108-11e6-92ed-00000aacb35e&acdnat=1485133955_2ce419326b12432eaf7ae36e81f8b60d), accessed November 22, 2016.

Kuveyt Türk Beteiligungsbank (ed.): *Über Uns*. Available at: <https://www.kt-bank.de/ueber-uns/kt-bank/>, accessed May 16, 2016.

Oxford Dictionaries (ed.): *Sharia*. Available at: <http://www.oxforddictionaries.com/de/definition/englisch/sharia>, accessed May 16, 2016.

Valeva Milena: *Theoretische Grundlegung ethischer Bankbetriebslehre: Die Lehren aus dem Islamic Banking*. 1st ed., Gabler Verlag, 2012. Available at: <http://link.springer.com/book/10.1007%2F978-3-8349-3476-5>, accessed May 16, 2016.